

103D CONGRESS  
1ST SESSION

# H. R. 1517

To extend the coverage of certain Federal labor laws to foreign documented vessels, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 30, 1993

Mr. CLAY (for himself, Mr. FORD of Michigan, Mr. MURPHY, Mr. WILLIAMS, Mrs. BENTLEY, Mr. BONIOR, Mr. DELLUMS, Mr. EVANS, Mr. FALEOMAVAEGA, Mr. HOLDEN, Mr. KOPETSKI, Mr. TOWNS, and Mr. WILSON) introduced the following bill; which was referred to the Committee on Education and Labor

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## A BILL

To extend the coverage of certain Federal labor laws to foreign documented vessels, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. COVERAGE OF FOREIGN VESSELS UNDER FED-**  
4 **ERAL LABOR LAWS.**

5 (a) NATIONAL LABOR RELATIONS.—Section 2(2) of  
6 the National Labor Relations Act (29 U.S.C. 152(2)) is  
7 amended—

8 (1) by inserting “(A)” after the paragraph des-  
9 ignation; and

1           (2) by adding at the end thereof the following  
2 new subparagraph:

3           “(B)(i) The term ‘employer’ also includes—

4                   “(I) a foreign documented vessel, if such  
5 vessel is regularly engaged in transporting pas-  
6 sengers from and to a port or place in the  
7 United States, with or without an intervening  
8 stop or stops at a foreign port or ports, and  
9 such term also includes a foreign documented  
10 vessel that is regularly engaged in transporting  
11 passengers only from or to a port or place in  
12 the United States if the Board determines that  
13 such transport is so arranged for the purposes  
14 of avoiding being considered an employer for  
15 purposes of this Act;

16                   “(II) a foreign documented nonliner vessel  
17 regularly engaged in transporting cargo in the  
18 foreign trade of the United States; and

19                   “(III) a foreign documented vessel on  
20 which occurs the production or processing of  
21 goods or services for sale or distribution in the  
22 United States, and a foreign documented vessel  
23 that engages in transporting cargo between ves-  
24 sels in international waters and a vessel, port,

1 or place in the United States regardless of the  
2 ownership or control of the vessel.

3 “(ii) For purposes of this section and except as  
4 provided in clause (i)(III), such term shall not in-  
5 clude any foreign documented vessel that can dem-  
6 onstrate—

7 “(I) that at least 50 percent of its crew is  
8 composed of citizens of the country of registry;  
9 and

10 “(II) that legal title to such vessel is held  
11 by citizens of the country of registry, and bene-  
12 ficial ownership and control, direct or indirect,  
13 are held by citizens of the country of registry.

14 “(iii) As used in this subparagraph, the term  
15 ‘citizen’ shall include—

16 “(I) natural persons who are citizens of  
17 the country of registry;

18 “(II) a corporation, if its equity is at least  
19 51 percent owned and controlled by citizens of  
20 the country of registry;

21 “(III) a partnership, if all the general  
22 partners are citizens of the country of registry  
23 and at least 51 percent of the partnership is  
24 owned and controlled by citizens of the country  
25 of registry.”.

1 (b) FAIR LABOR STANDARDS ACT OF 1938.—

2 (1) DEFINITION.—Section 3(d) of the Fair  
3 Labor Standards Act of 1938 (29 U.S.C. 203(d)) is  
4 amended—

5 (A) by inserting “(1)” after the subsection  
6 designation; and

7 (B) by adding at the end thereof the fol-  
8 lowing new paragraph:

9 “(2)(A) The term ‘employer’ also includes—

10 “(i) a foreign documented vessel, if such vessel  
11 is regularly engaged in transporting passengers from  
12 and to a port or place in the United States, with or  
13 without an intervening stop or stops at a foreign  
14 port or ports, and such term also includes a foreign  
15 documented vessel that is regularly engaged in  
16 transporting passengers only from or to a port or  
17 place in the United States if the Secretary deter-  
18 mines that such transport is so arranged for the  
19 purposes of avoiding being considered an employer  
20 for purposes of this Act;

21 “(ii) a foreign documented nonlinear vessel regu-  
22 larly engaged in transporting cargo in the foreign  
23 trade of the United States; and

24 “(iii) a foreign documented vessel on which oc-  
25 curs the production or processing of goods or serv-

1       ices for sale or distribution in the United States, and  
2       a foreign documented vessel that engages in trans-  
3       porting cargo between vessels in international waters  
4       and a vessel, port, or place in the United States re-  
5       gardless of the ownership or control of the vessel.

6       “(B) For purposes of this section and except as pro-  
7       vided in subparagraph (A)(iii), such term shall not include  
8       any foreign documented vessel that can demonstrate—

9               “(i) that at least 50 percent of its crew is com-  
10       posed of citizens of the country of registry; and

11              “(ii) that legal title to such vessel is held by  
12       citizens of the country of registry, and beneficial  
13       ownership and control, direct or indirect, are held by  
14       citizens of the country of registry.

15       “(C) As used in this paragraph, the term ‘citizen’  
16       shall include—

17              “(i) natural persons who are citizens of the  
18       country of registry;

19              “(ii) a corporation, if its equity is at least 51  
20       percent owned and controlled by citizens of the  
21       country of registry;

22              “(iii) a partnership, if all the general partners  
23       are citizens of the country of registry and at least  
24       51 percent of the partnership is owned and con-  
25       trolled by citizens of the country of registry.”.

1           (2) MINIMUM WAGE.—Section 6(a)(4) of the  
2       Fair Labor Standards Act of 1938 (29 U.S.C.  
3       206(a)(4)) is amended by inserting “or a foreign  
4       documented vessel described in section 3(d)(2)(A)”  
5       after “an American Vessel”.

6           (3) EXEMPTION.—Section 13(a)(12) of the Fair  
7       Labor Standards Act of 1938 (29 U.S.C.  
8       213(a)(12)) is amended by inserting “or a foreign  
9       documented vessel described in section 3(d)(2)(A)”  
10      after “an American Vessel”.

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